

0016.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



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MAR 02 2007

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:

3474

U-07064-027821

(UT-923)

MAR 01 2007

CERTIFIED MAIL – Return Receipt Requested

incoming
C/007/0039

DECISION

Principal:

Canyon Fuel Company, LLC
City One Place, Suite 300
St. Louis, MO 63141

:
:
: Coal Lease
: U-07064-027821
:
:

Surety:

Safeco Insurance Company of America
Safeco Plaza
Seattle, WA 98185

:
: Current Bond Amount: \$2,076,000
: Bond No: 6423668
:
:

Bond Accepted

By decision dated February 6, 2007 Canyon Fuel Company, LLC was notified that coal lease bond in the amount of \$900,000 covering coal lease U-07064-027821 needed to be increased to \$2,076,000. This change in bond amount is pursuant to regulations at 43 CFR 3474.2 that allows for the amount of any bond to be increased when additional coverage is determined to be appropriate.

On February 28, 2007 Canyon Fuel Company, LLC submitted a surety bond (No. 6423668) in the amount of \$2,076,000, with Canyon Fuel Company, LLC, as principal, and Safeco Insurance Company of America, as surety. This bond has been examined, found to be satisfactory and is hereby accepted effective the date of filing. We have notified our Price Field Office of your request to terminate the period of liability of your prior bond.

JAMES F KOHLER

James F. Kohler
Chief, Branch of
Solid Minerals

cc: State Division of Oil, Gas and Mining
Price Field Office